Argonaut Gold Reports Incident at the El Castillo Mine in Durango, Mexico

Toronto, Ontario - (September 26, 2016) **Argonaut Gold Inc. (TSX: AR)** (the "Company", "Argonaut Gold" or "Argonaut") regrets to advise that an employee of its Mexican subsidiary Minexson S.A. de C.V was fatality injured as a result of an incident on Sunday, September 25, 2016.

The Company is fully cooperating with an investigation led by the Department of Labour. The El Castillo operation has not been suspended at this time and a suspension of operations is not anticipated.

Pete Dougherty, President and CEO stated: "This is a tragic event. Our prayers and condolences are with the family of the individual and the employees at El Castillo. The health and safety of our workforce remains our number one priority."

About Argonaut Gold

Argonaut Gold is a Canadian gold company engaged in exploration, mine development and production activities. Its primary assets are the production stage El Castillo mine in Durango, Mexico, and La Colorada mine in Sonora, Mexico. Advanced exploration stage projects include the San Antonio project in Baja California Sur, Mexico, the Magino project in Ontario, Canada and the San Agustin project in Durango, Mexico. The Company also has several exploration stage projects, all of which are located in North America.

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